



**MAKANA**  
MUNICIPALITY | EASTERN CAPE  
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## In-Year Report of the Municipality

Prepared in terms of the Local Government: Municipal Finance  
Management Act (56/2003): Municipal Budget and Reporting  
Regulations, Government Gazette 32141, 17 May 2009.

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## Monthly Budget Statement OCTOBER 2015

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## Glossary

<b>Adjustments budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget related policy</b> – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
<b>Capital expenditure</b> - Spending on assets such as land, buildings and machinery.
Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
<b>Equitable share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognised Accounting Practice. The new standard for municipal accounting.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality.
<b>IHHS</b> – Informal Housing and Human Settlements, provincial grant.
<b>KEDA</b> – Entity of Makana Municipality, Makana Economic Development Agency.
<b>MBRR</b> – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.
<b>MDMG</b> – Municipal Disaster Management Grant.
<b>MFMA</b> – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.
<b>MIG</b> – Municipal Infrastructure Grant.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
<b>NDPG</b> – Neighbourhood Development Partnership Grant.
<b>Operating expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages
<b>Rates</b> – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic objectives</b> – The main priorities of the Municipality as set out in the IDP.
Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, is spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget. In Makana Municipality this means at directorate level.



# **PART 1 – IN-YEAR REPORT**

## **Section 1 – Mayor's Report**

### **1.1 In-Year Report - Monthly Budget Statement**

The monthly budget statement for October 2015 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The audited outcomes for 2014/2015 reflected in this report are provisional for June 2015 as the Annual Financial Statements were submitted to the Auditor General on 31 August 2015.

#### **1.1.1 Financial problems or risks facing the municipality**

The municipality continues to experience challenges regarding liquidity. This is mainly due to the under-collection of revenue and large outstanding debt owed to creditors carried over from previous financial years. These financial challenges continue to persist but some headway has been made in ensuring financial stability. A revenue enhancement strategy has been formulated and presented to council for approval. As a result a debt collection company (REVCO) was appointed and commenced work on 01 February 2015. The scope of work for work entails debt collection and data cleansing. The implementation of these functions should improve the debtors' information used to bill customers and the revenue collection rate thus reducing the liquidity challenges. The REVCO performance report is included under section 5 of this report.

#### **1.1.2 Relevant information**

As at 30 June 2015, the municipality had an amount of R13 461 200.00 unspent on the Municipal Infrastructure Grant (MIG). Since these funds were under the control of Sara Baartman District Municipality, the District Municipality has applied for the grant roll-over on Makana Municipality's behalf. The roll-over application outcome is pending.

## **Section 2 – IN-YEAR REPORTS 2015/2016**

### **RECOMMENDATION:**

- (a) That FAME notes the monthly budget statement and supporting documentation for October 2015.

## Section 3 – Executive Summary

### 3.1 Introduction

The Annual Financial Statements for the 2014/15 year were submitted to the Auditor General on 31 August 2015.

### 3.2 Consolidated performance

#### 3.2.1 Against annual budget (original approved and latest adjustments)

The following table summarizes the overall position on the capital and operating budgets.

	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Annual Budget %
Operating Revenue	427 637	-	143 991	34%
Operating Expenditure	427 637	-	91 613	21%
Capital Expenditure	191 857	-	39 951	21%

#### Revenue by Source

Year-to-date Operating Revenue amounts to **34% or R143 991 million** of the operating budget of **R427 637 million**.

*Refer to Section 4 – Table C4 for further details on both revenue by source and expenditure by type.*

#### Operating expenditure by type

Year-to-date expenditure amounts to **21% or R91 613 million** of the operating budget of **R427 637 million**.

*Refer to Section 4 – Table C4 for further details on both revenue by source and expenditure by type*

#### Capital expenditure

Year-to-date expenditure on capital project amounts to **21% or R39 951 million** of the capital budget of **R191 857 million**.

*Refer to Section 4 – Table C5 for more detail.*

## Section 4 – In-year budget statement tables

### 4.1 Monthly budget statements

#### 4.1.1 Table C1: s71 Monthly Budget Statement Summary



EC104 Makana - Table C1 Monthly Budget Statement Summary - M04 October

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Financial Performance</b>									
Property rates	49,813	52,695	-	3,422	27,606	17,565	10,041	57%	52,695
Service charges	197,214	261,748	-	14,797	71,357	87,181	(15,824)	-18%	261,544
Investment revenue	10,836	500	-	-	-	3,964	(3,964)	-100%	11,893
Transfers recognised - operational	81,144	84,920	-	4,437	37,794	35,701	2,093	6%	82,734
Other own revenue	17,792	27,774	-	1,999	7,234	6,718	516	8%	8,262
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>356,799</b>	<b>427,637</b>	<b>-</b>	<b>24,655</b>	<b>143,991</b>	<b>151,129</b>	<b>(7,138)</b>	<b>-5%</b>	<b>417,127</b>
Employee costs	129,931	121,519	-	11,279	45,280	40,506	4,774	12%	121,519
Remuneration of Councillors	9,458	9,723	-	645	2,696	3,240	(544)	-17%	9,721
Depreciation & asset impairment	55,486	31,502	-	1,876	7,503	10,846	(3,343)	-31%	32,538
Finance charges	8,707	478	-	1,665	3,527	0	3,526	-	1
Materials and bulk purchases	79,094	94,427	-	4,533	19,962	29,334	(9,372)	-32%	88,002
Transfers and grants	25,328	48,997	-	371	198	24,811	(24,613)	-99%	74,434
Other expenditure	55,757	120,991	-	8,711	12,447	30,422	(17,975)	-59%	91,268
<b>Total Expenditure</b>	<b>363,763</b>	<b>427,637</b>	<b>-</b>	<b>29,099</b>	<b>91,613</b>	<b>139,159</b>	<b>(47,547)</b>	<b>-34%</b>	<b>417,484</b>
<b>Surplus/(Deficit)</b>	<b>(6,963)</b>	<b>0</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>11,970</b>	<b>40,409</b>	<b>338%</b>	<b>(357)</b>
Transfers recognised - capital	215	1,185	-	-	-	395	(395)	-100%	1,185
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>	<b>40,014</b>	<b>324%</b>	<b>827</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>	<b>40,014</b>	<b>324%</b>	<b>827</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>36,197</b>	<b>191,857</b>	<b>-</b>	<b>3,914</b>	<b>39,946</b>	<b>63,952</b>	<b>(24,006)</b>	<b>-38%</b>	<b>191,857</b>
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	211,810	-	-	-	210,694				-
Total non current assets	1,111,381	191,857	-	-	1,115,133				191,857
Total current liabilities	247,697	(903)	-	-	223,008				(903)
Total non current liabilities	114,816	-	-	-	114,816				-
<b>Community wealth/Equity</b>	<b>960,678</b>	<b>(250)</b>	<b>-</b>	<b>-</b>	<b>988,004</b>				<b>(250)</b>
<b>Cash flows</b>									
Net cash from (used) operating	102,194	32,463	-	4,105	55,461	18,946	(36,515)	-193%	(72,304)
Net cash from (used) investing	(43,844)	(191,857)	-	(3,916)	(47,542)	(47,604)	(63)	0%	(188,178)
Net cash from (used) financing	23	-	-	7	43	-	(43)	-	(56,326)
<b>Cash/cash equivalents at the month/year end</b>	<b>64,160</b>	<b>(149,562)</b>	<b>-</b>	<b>-</b>	<b>50,087</b>	<b>(18,826)</b>	<b>(68,913)</b>	<b>366%</b>	<b>(274,684)</b>

The table above indicates that total municipality's own revenue recognised, consisting of Property Rates at R27 606 million, Service Charges at R71 357 million, Investment revenue at R4 696 million and other Own Revenue at R2 539 million. The total internally generated revenue amounts to R106 197 million or 80%, while revenue from transfers amounts to R37 794 million or 20% of the total of R143 991 million to date.

It should be noted that the discrepancy in expenditure line item 'Transfers and Grants', where the month actual is more than the year to date actual, is a result of error in recording that will be corrected.

#### 4.1.2 Table C2: Monthly Budget Statement – Financial Performance (standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

EC104 Makana - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands	1								%
<b>Revenue - Standard</b>									
<b>Governance and administration</b>		89,764	110,328	-	4,977	39,748	39,888	(140)	0%
Executive and council		4,937	8,520	-	(0)	1,827	2,452	(625)	-25%
Budget and treasury office		83,700	98,799	-	4,906	37,539	36,531	1,008	3%
Corporate services		1,127	3,009	-	71	381	904	(523)	-58%
<b>Community and public safety</b>		6,484	4,509	-	4,496	4,761	1,969	2,792	142%
Community and social services		4,509	3,242	-	4,037	4,257	1,043	3,215	308%
Sport and recreation		31	12	-	0	2	6	(4)	-67%
Public safety		204	1,255	-	7	48	418	(371)	-89%
Housing		-	-	-	-	-	-	-	-
Health		1,740	-	-	453	454	502	(48)	-10%
<b>Economic and environmental services</b>		4,291	9,003	-	(285)	793	1,420	(627)	-44%
Planning and development		641	7,514	-	46	104	201	(97)	-48%
Road transport		3,172	1,489	-	(333)	681	1,211	(530)	-44%
Environmental protection		478	-	-	2	8	8	0	3%
<b>Trading services</b>		245,769	303,782	-	12,348	98,689	104,278	(5,589)	-5%
Electricity		116,556	174,087	-	11,920	47,047	58,564	(11,517)	-20%
Water		76,715	73,101	-	(1,227)	26,446	25,881	565	2%
Waste water management		34,102	37,254	-	1,061	17,148	13,362	3,786	28%
Waste management		18,396	19,340	-	594	8,048	6,471	1,577	24%
<b>Other</b>	4	-	15	-	-	-	5	(5)	-100%
<b>Total Revenue - Standard</b>	2	346,308	427,637	-	21,536	143,991	147,560	(3,569)	-2%
<b>Expenditure - Standard</b>									
<b>Governance and administration</b>		109,057	132,160	-	9,461	20,919	44,555	(23,635)	-53%
Executive and council		19,612	32,474	-	1,401	(2,486)	8,361	(10,847)	-130%
Budget and treasury office		60,708	59,180	-	3,238	11,218	21,365	(10,148)	-47%
Corporate services		28,737	40,506	-	4,823	12,188	14,829	(2,641)	-18%
<b>Community and public safety</b>		38,208	33,475	-	3,511	13,135	12,560	576	5%
Community and social services		10,159	12,144	-	859	3,585	3,257	328	10%
Sport and recreation		8,925	4,852	-	841	2,916	3,175	(260)	-8%
Public safety		16,661	16,479	-	1,643	5,911	5,075	836	16%
Housing		48	-	-	2	20	18	2	11%
Health		2,415	-	-	166	704	1,035	(330)	-32%
<b>Economic and environmental services</b>		22,290	36,831	-	3,866	9,608	8,188	1,420	17%
Planning and development		6,931	15,076	-	1,092	3,105	3,216	(111)	-3%
Road transport		12,404	14,597	-	2,522	5,403	3,919	1,484	38%
Environmental protection		2,955	7,158	-	252	1,100	1,053	47	4%
<b>Trading services</b>		193,954	225,011	-	12,249	47,879	(5,952)	53,831	-904%
Electricity		106,402	120,032	-	6,696	26,281	(39,878)	66,159	-166%
Water		48,304	52,203	-	2,658	10,887	17,401	(6,514)	-37%
Waste water management		23,455	29,996	-	1,661	6,719	9,966	(3,248)	-33%
Waste management		15,793	22,781	-	1,234	3,992	6,559	(2,567)	-39%
<b>Other</b>		253	160	-	12	71	53	17	33%
<b>Total Expenditure - Standard</b>	3	363,762	427,637	-	29,099	91,613	59,403	32,209	54%
<b>Surplus/ (Deficit) for the year</b>		(17,454)	(0)	-	(7,563)	52,379	88,157	(35,778)	-41%

#### 4.1.3 Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by Council on the municipal vote level.

The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Technical and Infrastructure; Corporate Services; Financial Services; Community and Social Services; Executive Mayor; Municipal Manager; Local Economic Development; Housing; Electricity; Water.



EC104 Makana - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands									%
<b>Revenue by Vote</b>	<b>1</b>								
Vote 1 - TECHNICAL SERVICES		35,407	38,567	-	1,137	17,542	13,791	3,751	27.2%
Vote 2 - CORPORATE SERVICES		403	929	-	11	64	309	(245)	-79.3%
Vote 3 - FINANCIAL SERVICES		83,700	98,799	-	4,906	37,940	36,865	1,075	2.9%
Vote 4 - COMMUNITY & SOCIAL SERVICES		28,469	27,316	-	4,749	13,434	9,612	3,822	39.8%
Vote 5 - EXECUTIVE & COUNCIL		4,209	5,069	-	-	1,429	2,111	(681)	-32.3%
Vote 6 - MUNICIPALITY MANAGER		740	3,431	-	-	-	1	(1)	-100.0%
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		109	6,336	-	41	88	425	(337)	-79.2%
Vote 8 - HOUSING		-	-	-	-	-	-	-	
Vote 9 - ELECTRICITY		116,556	174,087	-	11,920	47,047	58,564	(11,517)	-19.7%
Vote 10 - WATER		76,715	73,101	-	(1,227)	26,446	25,881	565	2.2%
Vote 11 - DOG TAX		-	1	-	-	-	0	(0)	-100.0%
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	
<b>Total Revenue by Vote</b>	<b>2</b>	<b>346,308</b>	<b>427,637</b>	<b>-</b>	<b>21,536</b>	<b>143,991</b>	<b>147,560</b>	<b>(3,569)</b>	<b>-2.4%</b>
<b>Expenditure by Vote</b>	<b>1</b>								
Vote 1 - TECHNICAL SERVICES		44,396	49,834	-	5,398	15,761	16,609	(848)	-5.1%
Vote 2 - CORPORATE SERVICES		25,738	30,744	-	3,614	8,960	10,420	(1,460)	-14.0%
Vote 3 - FINANCIAL SERVICES		60,708	59,180	-	3,238	11,218	21,551	(10,333)	-47.9%
Vote 4 - COMMUNITY & SOCIAL SERVICES		58,543	67,402	-	5,171	18,652	21,547	(2,896)	-13.4%
Vote 5 - EXECUTIVE & COUNCIL		11,099	16,824	-	1,145	4,359	5,608	(1,249)	-22.3%
Vote 6 - MUNICIPALITY MANAGER		4,158	13,193	-	291	(6,816)	1,748	(8,564)	-489.9%
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		4,866	18,197	-	887	2,439	4,379	(1,939)	-44.3%
Vote 8 - HOUSING		48	26	-	2	20	18	2	11.2%
Vote 9 - ELECTRICITY		106,402	120,032	-	6,696	26,281	39,878	(13,597)	-34.1%
Vote 10 - WATER		48,304	52,203	-	2,658	10,889	17,401	(6,512)	-37.4%
Vote 11 - DOG TAX		-	1	-	-	-	0	(0)	-100.0%
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>364,262</b>	<b>427,637</b>	<b>-</b>	<b>29,099</b>	<b>91,763</b>	<b>139,159</b>	<b>(47,397)</b>	<b>-34.1%</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>(17,954)</b>	<b>(0)</b>	<b>-</b>	<b>(7,563)</b>	<b>52,229</b>	<b>8,401</b>	<b>43,828</b>	<b>521.7%</b>

#### 4.1.4 Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)



EC104 Makana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
<b>R thousands</b>									%
<b>Revenue By Source</b>									
Property rates		49,813	52,695	-	3,422	27,606	17,565	10,041	57%
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-
Service charges - electricity revenue		112,430	168,727	-	11,917	46,137	56,174	(10,037)	-18%
Service charges - water revenue		53,344	54,900	-	1,227	12,186	18,300	(6,114)	-33%
Service charges - sanitation revenue		21,525	26,037	-	1,061	10,678	8,679	1,999	23%
Service charges - refuse revenue		9,813	11,783	-	592	2,345	3,928	(1,583)	-40%
Service charges - other		102	301	-	-	10	100	(90)	-90%
Rental of facilities and equipment		1,012	3,176	-	82	451	52	399	772%
Interest earned - external investments		10,836	500	-	-	-	3,964	(3,964)	-100%
Interest earned - outstanding debtors		12,392	11,893	-	1,453	4,696	3,964	732	18%
Dividends received		-	-	-	-	-	-	-	0%
Fines		55	1,089	-	4	26	363	(337)	-93%
Licences and permits		2,344	3,448	-	2	602	764	(162)	-21%
Agency services		850	1,300	-	333	89	433	(345)	-80%
Transfers recognised - operational		81,144	84,920	-	4,437	37,794	35,701	2,093	6%
Other revenue		1,138	6,868	-	124	1,371	1,141	229	20%
Gains on disposal of PPE		-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>356,799</b>	<b>427,637</b>	<b>-</b>	<b>24,655</b>	<b>143,991</b>	<b>151,129</b>	<b>(7,138)</b>	<b>-5%</b>
<b>Expenditure By Type</b>									
Employee related costs		129,931	121,519	-	11,279	45,280	40,506	4,774	12%
Remuneration of councillors		9,458	9,723	-	645	2,696	3,240	(544)	-17%
Debt impairment		-	-	-	-	-	-	-	0%
Depreciation & asset impairment		55,486	31,502	-	1,876	7,503	10,846	(3,343)	-31%
Finance charges		8,707	478	-	1,685	3,527	0	3,526	1062110%
Bulk purchases		79,094	87,574	-	4,533	19,962	29,334	(9,372)	-32%
Other materials		-	6,853	-	-	-	-	-	0%
Contracted services		4,302	8,734	-	444	2,219	1,523	697	46%
Transfers and grants		25,328	48,997	-	371	198	24,811	(24,613)	-99%
Other expenditure		51,455	112,257	-	8,267	10,227	28,899	(18,671)	-65%
Loss on disposal of PPE		-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>363,763</b>	<b>427,637</b>	<b>-</b>	<b>29,099</b>	<b>91,613</b>	<b>139,159</b>	<b>(47,547)</b>	<b>-34%</b>
<b>Surplus/(Deficit)</b>		<b>(6,963)</b>	<b>0</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>11,970</b>	<b>40,409</b>	<b>0</b>
Transfers recognised - capital		215	1,185	-	-	-	395	(395)	(0)
Contributions recognised - capital		-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>		
Taxation		-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>		
Attributable to minorities		-	-	-	-	-	-		
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>		
Share of surplus/ (deficit) of associate		-	-	-	-	-	-		
<b>Surplus/ (Deficit) for the year</b>		<b>(6,749)</b>	<b>1,185</b>	<b>-</b>	<b>(4,444)</b>	<b>52,379</b>	<b>12,365</b>		

The year-to-date Operating Revenue reflects an achievement of 34% or R143 991 million of the annual budget of R427 637 million, and Operating Expenditure of R91 613 million is 21% or R62 613 million of the annual budget of R427 637 million.

## **Operating Revenue**

Major contributors of Operating Revenue to date amounting to R143 991 million are:

- Service Charges-Electricity at R46 137 million or 40%.
- Operational Transfers recognised at R37 794 million or 30%.
- Property Rates at R27 606 million or 20%.
- Service Charges-Water at R12 186 million or 10%.

## **Operating Expenditure**

Major contributors of Operating Expenditure to date amounting to R91 613 million are:

- Employee-related costs at R45 280 million or 50%
- Bulk purchases at R19 962 million or 30%.
- Remuneration of councillors at R2 696 million or 10%.

### **4.1.5 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding**



EC104 Makana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands	1								%
<b>Multi-Year expenditure appropriation</b>	<b>2</b>								
Vote 1 - TECHNICAL SERVICES		20,937	153,683	-	3,067	21,852	51,227	(29,375)	-57%
Vote 2 - CORPORATE SERVICES		915	600	-	568	1,825	200	1,625	812%
Vote 3 - FINANCIAL SERVICES		(3)	-	-	-	(3)	-	(3)	0%
Vote 4 - COMMUNITY & SOCIAL SERVICES		1,078	14,286	-	81	1,864	4,762	(2,898)	-61%
Vote 5 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	
Vote 6 - MUNICIPALITY MANAGER		-	-	-	-	-	-	-	
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		344	-	-	-	344	-	344	0%
Vote 8 - HOUSING		-	-	-	-	-	-	-	
Vote 9 - ELECTRICITY		1,904	6,724	-	-	2,251	2,241	10	0%
Vote 10 - WATER		10,804	15,000	-	198	11,004	5,000	6,004	120%
Vote 11 - DOG TAX		-	-	-	-	-	-	-	0%
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	0%
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	<b>35,980</b>	<b>190,292</b>	<b>-</b>	<b>3,914</b>	<b>39,138</b>	<b>63,431</b>	<b>(24,293)</b>	<b>-38%</b>
<b>Single Year expenditure appropriation</b>	<b>2</b>								
Vote 1 - TECHNICAL SERVICES		-	-	-	-	591	-	591	0%
Vote 2 - CORPORATE SERVICES		(0)	600	-	-	(0)	200	(200)	-100%
Vote 3 - FINANCIAL SERVICES		218	-	-	-	218	-	218	0%
Vote 4 - COMMUNITY & SOCIAL SERVICES		-	15	-	-	-	5	(5)	-100%
Vote 5 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	0%
Vote 6 - MUNICIPALITY MANAGER		-	-	-	-	-	-	-	0%
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	0%
Vote 8 - HOUSING		-	-	-	-	-	-	-	0%
Vote 9 - ELECTRICITY		-	950	-	-	-	317	(317)	-100%
Vote 10 - WATER		-	-	-	-	-	-	-	0%
Vote 11 - DOG TAX		-	-	-	-	-	-	-	0%
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	0%
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>218</b>	<b>1,565</b>	<b>-</b>	<b>-</b>	<b>808</b>	<b>522</b>	<b>287</b>	<b>55%</b>
<b>Total Capital Expenditure</b>		<b>36,197</b>	<b>191,857</b>	<b>-</b>	<b>3,914</b>	<b>39,946</b>	<b>63,952</b>	<b>(24,006)</b>	<b>-38%</b>
<b>Capital Expenditure - Standard Classification</b>									
<b>Governance and administration</b>		<b>1,130</b>	<b>1,200</b>	<b>-</b>	<b>568</b>	<b>2,039</b>	<b>400</b>	<b>1,639</b>	<b>410%</b>
Executive and council		-	-	-	-	-	-	-	
Budget and treasury office		215	-	-	-	215	-	215	0%
Corporate services		915	1,200	-	568	1,824	400	1,424	356%
<b>Community and public safety</b>		<b>1,080</b>	<b>13,983</b>	<b>-</b>	<b>83</b>	<b>1,869</b>	<b>4,661</b>	<b>(2,792)</b>	<b>-60%</b>
Community and social services		-	3,574	-	-	440	1,191	(751)	-63%
Sport and recreation		1,078	10,409	-	81	1,424	3,470	(2,046)	-59%
Public safety		2	-	-	2	5	-	5	0%
Housing		-	-	-	-	-	-	-	0%
Health		-	-	-	-	-	-	-	0%
<b>Economic and environmental services</b>		<b>18,174</b>	<b>14,801</b>	<b>-</b>	<b>1,361</b>	<b>17,128</b>	<b>4,933</b>	<b>12,194</b>	<b>247%</b>
Planning and development		344	-	-	-	344	-	344	0%
Road transport		17,830	14,683	-	1,361	16,783	4,894	11,889	243%
Environmental protection		-	118	-	-	-	39	(39)	-100%
<b>Trading services</b>		<b>15,815</b>	<b>161,674</b>	<b>-</b>	<b>1,904</b>	<b>18,916</b>	<b>53,891</b>	<b>(34,976)</b>	<b>-65%</b>
Electricity		1,904	7,674	-	-	2,251	2,558	(307)	-12%
Water		10,804	15,000	-	198	11,004	5,000	6,004	120%
Waste water management		3,107	139,000	-	1,706	5,660	46,333	(40,673)	-88%
Waste management		-	-	-	-	-	-	-	0%
<b>Other</b>		<b>-</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>(67)</b>	<b>-100%</b>
<b>Total Capital Expenditure - Standard Classification</b>	<b>3</b>	<b>36,199</b>	<b>191,857</b>	<b>-</b>	<b>3,916</b>	<b>39,951</b>	<b>63,952</b>	<b>(24,001)</b>	<b>-38%</b>

#### 4.1.6 Table C6: Monthly Budget Statement - Financial Position

EC104 Makana - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		10,391	-	-	32,980	-
Call investment deposits		-	-	-	-	-
Consumer debtors		153,086	-	-	127,534	-
Other debtors		34,256	-	-	35,703	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		14,078	-	-	14,478	-
<b>Total current assets</b>		<b>211,810</b>	<b>-</b>	<b>-</b>	<b>210,694</b>	<b>-</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		25,579	-	-	25,579	-
Investment property		230,233	-	-	230,233	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		847,533	190,292	-	850,431	190,292
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		4,357	1,565	-	5,211	1,565
Other non-current assets		3,679	-	-	3,679	-
<b>Total non current assets</b>		<b>1,111,381</b>	<b>191,857</b>	<b>-</b>	<b>1,115,133</b>	<b>191,857</b>
<b>TOTAL ASSETS</b>		<b>1,323,191</b>	<b>191,857</b>	<b>-</b>	<b>1,325,828</b>	<b>191,857</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		3,888	-	-	3,888	-
Consumer deposits		2,321	-	-	2,392	-
Trade and other payables		238,122	-	-	213,362	-
Provisions		3,365	(903)	-	3,365	(903)
<b>Total current liabilities</b>		<b>247,697</b>	<b>(903)</b>	<b>-</b>	<b>223,008</b>	<b>(903)</b>
<b>Non current liabilities</b>						
Borrowing		50,117	-	-	50,117	-
Provisions		64,699	-	-	64,699	-
<b>Total non current liabilities</b>		<b>114,816</b>	<b>-</b>	<b>-</b>	<b>114,816</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>362,513</b>	<b>(903)</b>	<b>-</b>	<b>337,824</b>	<b>(903)</b>
<b>NET ASSETS</b>	<b>2</b>	<b>960,678</b>	<b>192,760</b>	<b>-</b>	<b>988,004</b>	<b>192,760</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		955,232	(250)	-	982,551	(250)
Reserves		5,447	-	-	5,453	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>960,678</b>	<b>(250)</b>	<b>-</b>	<b>988,004</b>	<b>(250)</b>



#### 4.1.7 Table C7: Monthly Budget Statement - Cash Flow

EC104 Makana - Table C7 Monthly Budget Statement - Cash Flow - M04 October

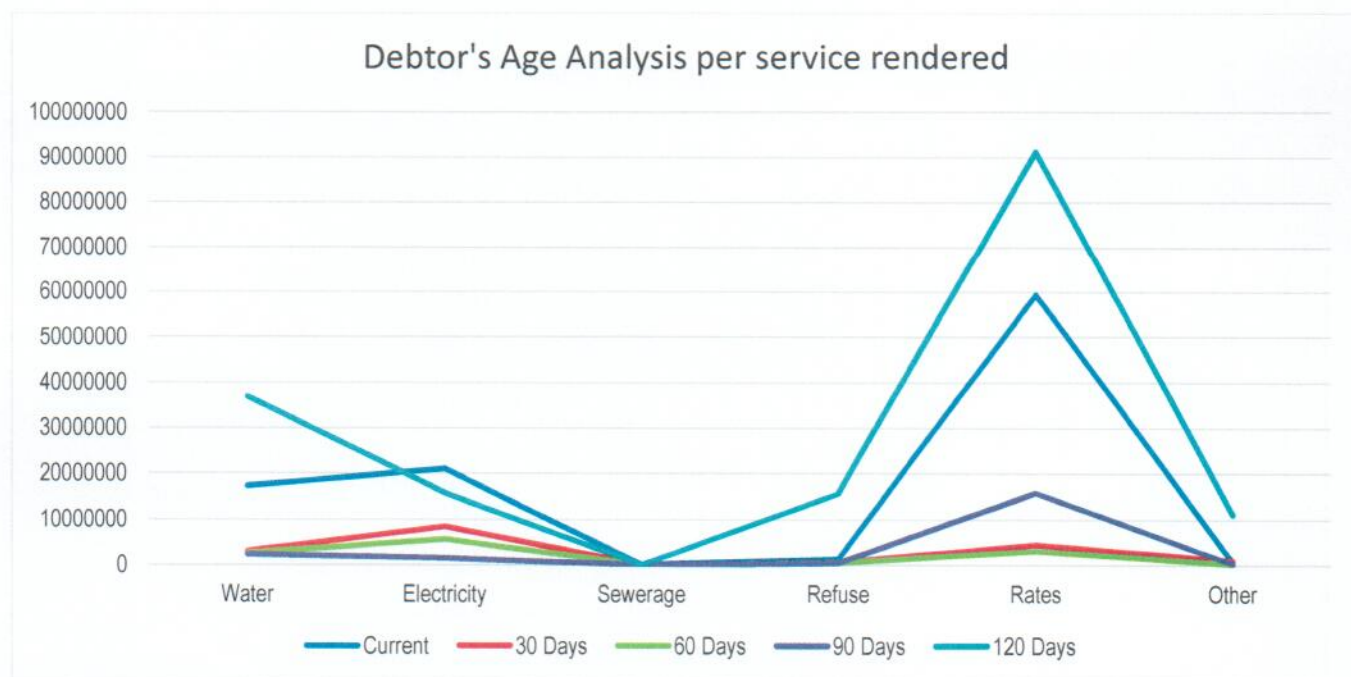
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		222,670	322,501	-	29,989	125,607	107,500	18,107	17%	322,501
Government - operating		81,144	82,734	-	4,437	37,794	35,701	2,093	6%	82,734
Government - capital		215	1,185	-	-	-	395	(395)	-100%	1,185
Interest		12,392	11,893	-	1,453	4,696	3,964	732	18%	11,893
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(180,191)	(311,413)	-	(29,718)	(108,910)	(103,802)	5,108	-5%	(311,413)
Finance charges		(8,707)	(1)	-	(1,685)	(3,527)	(0)	3,526		(1)
Transfers and Grants		(25,328)	(74,434)	-	(371)	(198)	(24,811)	(24,613)	99%	(74,434)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>102,194</b>	<b>32,463</b>	<b>-</b>	<b>4,105</b>	<b>55,461</b>	<b>18,946</b>	<b>(36,515)</b>	<b>-193%</b>	<b>32,463</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		(5,054)	-	-	-	(5,054)	(5,054)	-		-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	3,679	-	-	-	-	-		3,679
Decrease (increase) in non-current investments		8	-	-	-	63	-	63	0%	-
<b>Payments</b>										
Capital assets		(38,799)	(191,857)	-	(3,916)	(42,551)	(42,551)	0	0%	(191,857)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(43,844)</b>	<b>(188,178)</b>	<b>-</b>	<b>(3,916)</b>	<b>(47,542)</b>	<b>(47,604)</b>	<b>(63)</b>	<b>0%</b>	<b>(188,178)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		23	(2,321)	-	7	43	-	43	0%	(2,321)
<b>Payments</b>										
Repayment of borrowing		-	(54,005)	-	-	-	-	-		(54,005)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>23</b>	<b>(56,326)</b>	<b>-</b>	<b>7</b>	<b>43</b>	<b>-</b>	<b>(43)</b>		<b>(56,326)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>58,374</b>	<b>(212,042)</b>	<b>-</b>	<b>196</b>	<b>7,962</b>	<b>(28,659)</b>			<b>(212,042)</b>
Cash/cash equivalents at beginning:		5,787	9,833	-		42,125	9,833			42,125
Cash/cash equivalents at month/year end:		64,160	(202,209)	-		50,087	(18,826)			(169,917)

## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

#### Debtors' analysis per service rendered

Analysis of Debt	Current (plus interest)	30 Days	60 Days	90 Days	120 Days +	Total
Water	R17,253,042.98	R2,890,734.42	R2,536,370.95	R2,343,657.85	R36,908,764.82	R61,932,571.02
Electricity	R21,044,141.87	R8,372,026.03	R5,623,963.85	R1,485,338.91	R15,758,879.41	R52,284,350.07
Sewerage	R66,355.21	R0.00	R0.00	R0.00	R55,362.80	R121,718.01
Refuse	R1,345,221.79	R555,723.19	R508,446.23	R459,620.25	R15,709,119.35	R18,578,130.81
Rates	R59,412,769.76	R4,441,724.50	R3,133,146.79	R15,823,521.28	R91,169,720.43	R173,980,882.76
Other	R566,058.70	R905,613.68	R174,167.20	R203,843.35	R11,066,212.95	R12,915,895.88
<b>Total</b>	<b>R99,687,590.31</b>	<b>R17,165,821.82</b>	<b>R11,976,095.02</b>	<b>R20,315,981.64</b>	<b>R170,668,059.76</b>	<b>R319,813,548.55</b>



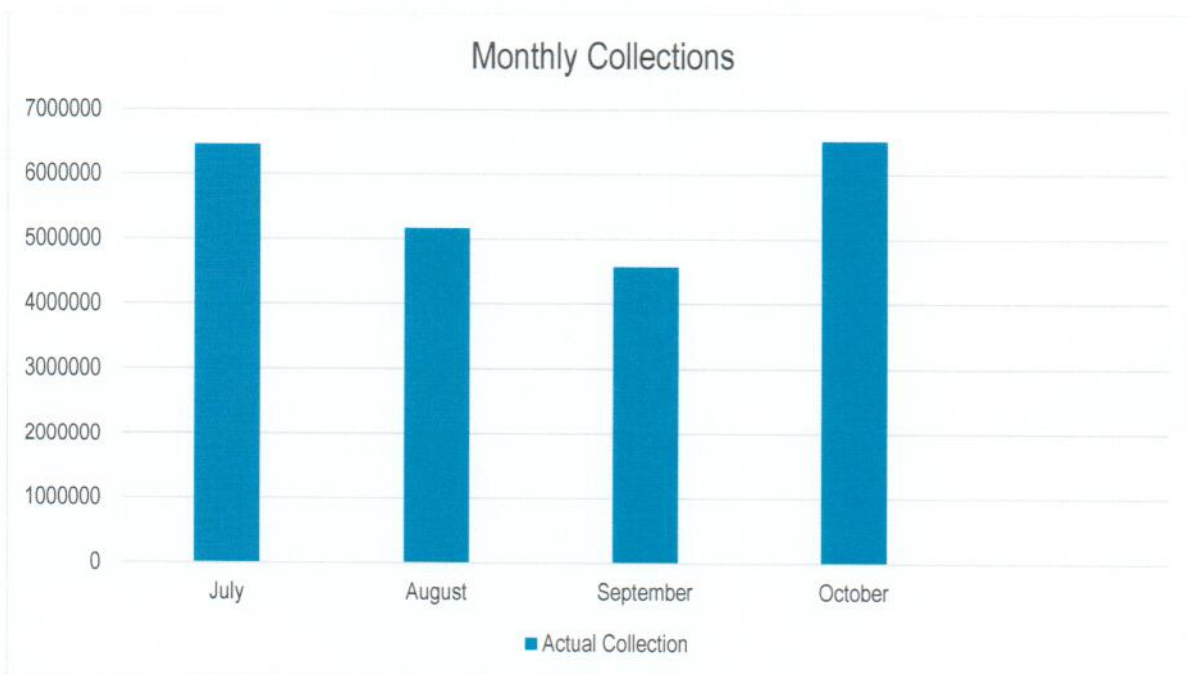
The financial position includes the total annual billing to date and some debtor classifications which do not form part of the consumer debtors, whereas the age analysis only includes those consumer amounts which have become due and not the 'future' amounts which will only fall due in coming months for consumers who pay for their accounts by 30 September annually or monthly on an instalment basis.



## REVCO Performance Report

Average Payment Value Per Month					
Month	Active Accounts Balance	Actual Collection	Number of Accounts Paid	% Yield Achieved on Collection	Average Payment Value
July	R134 846 307.00	R6 464 294.00	7 162	4.79%	R903.00
August	R114 034 939.00	R5 165 886.00	7 051	4.53%	R733.00
September	R106 588 019.00	R4 569 928.00	7 195	4.29%	R635.00
October	R106 323 064.00	R6 523 858.00	7 354	6.4%	R887.00

2 Month Activation Analysis						
Month	Number of Accounts Handed Over	Value of Accounts Handed Over	Number of Accounts Paid	Value of Payments Received	Average Payment Amount Received	% of Rand Value Activation
July	125	R111 828.00	40	9 548	239	8.54%
August	53	R18 958.00	28	6 033	215	31.82%
September	0	R0.00	0	0	0	0%
October	0	R0.00	0	0	0	0%



## Section 6 – Creditors' analysis

### 6.1 Supporting Table SC4

#### Summary of all creditor's paid at 31 OCTOBER 2015

DESCRIPTION	TOTAL PAID IN SEPTEMBER
Total payments	R24 672 779.97

#### Top 10 Payments made in OCTOBER 2015

DESCRIPTION	AMOUNT PAID
ESKOM	R11 868 470.46
Tyolumnga Civils CC	R1 735 703.04
B.R.O Civils	R1 705 487.19
SARS	R1 378 935.03
North & Robertson EL PTY LTD	R520 493.68
Zipho Zethu	R429 852.77
Revenue Consulting	R416 777.42
Auditor General	R352 337.29
SALGA	R313 957.75
Ballenden & Robb	R271 224.34
<b>TOTAL</b>	<b>R18 993 238.97</b>

#### Summary of payables at 31 OCTOBER 2015

##### Age analysis

TOTAL	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
R102 250 819.49	R5 296 163.84	R403 474.51	R18 468 304.08	R22 502 259.72	R55 580 617.34

##### Top 10 Creditors

COMPANY NAME	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
Eskom			R16 228 320.98	R21 282 750.19	R33 553 006.21
Department of Water Affairs					R5 597 937.40
Business connexion	R1 295 558.67			R325 482.43	
B.R.O Consulting	R1 570 611.22		R664 730.41	R495 734.70	
Ducharme Consulting			R1 404 716.94		
Sibanye Valuers					R1 324 698.00
MBB Consulting Services					R931 658.92
Royal Haskoning					R792 281.70
National Arts Festival					R500 000.00
North & Roberston EL	R19 323.00				R420 782.12
<b>TOTAL</b>	<b>R2 885 492.89</b>	<b>R0.00</b>	<b>R18 297 768.33</b>	<b>R22 103 967.32</b>	<b>R43 120 364.35</b>



The outstanding creditors have decreased by **R7 631 598.14** from the previous month to **R102 250 819.49** in the current month. Although the municipality has entered into payment arrangements with all major creditors, it is imperative that austerity measures be strictly adhered to, in order not to incur further debt.

## Section 7 – Allocations, grant receipts and expenditure

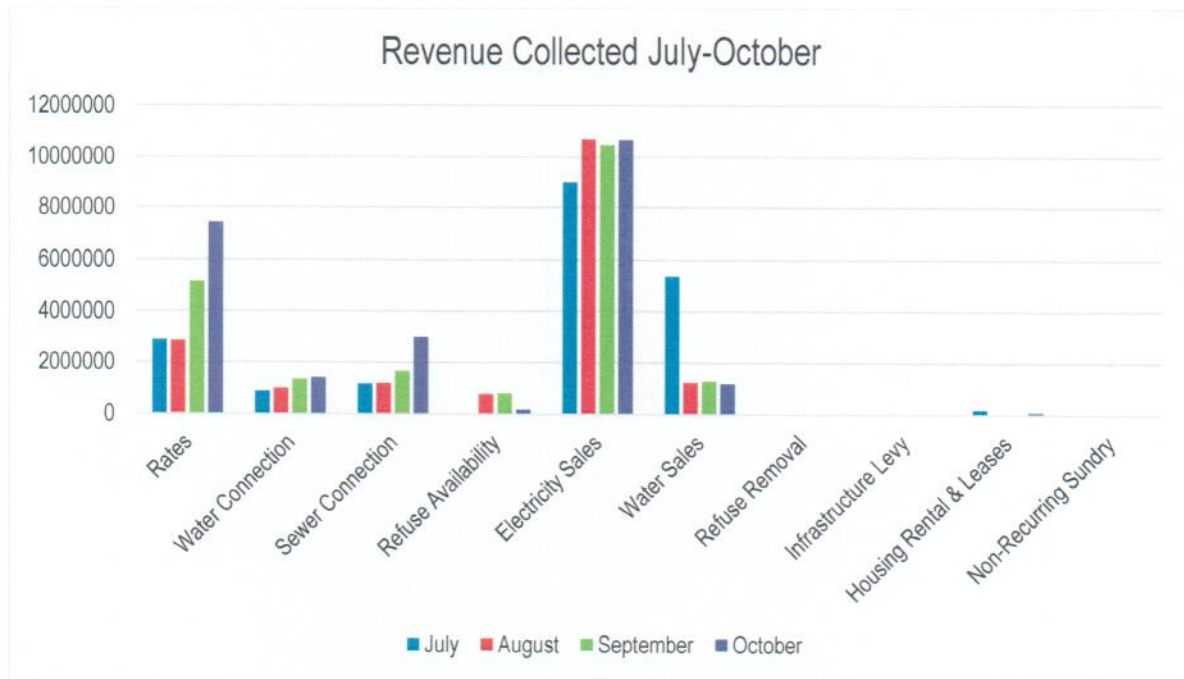
### Summary of grants received

<u>GRANT</u>	<u>BUDGET</u>	<u>AMOUNT RECEIVED TO DATE</u>	<u>EXPENDITURE IN OCTOBER</u>	<u>EXPENDITURE YEAR-TO-DATE</u>
MIG	R23 270 948.00	R0.00	R109 483.00	R412 410.00
MSIG	R930 000.00	R930 000.00	R568 227.00	R568 227.00
FMG	R1 675 000.00	R1 675 000.00	R133 779.00	R459 151.00
EPWP	R1 002 000.00	R0.00	R60 196.00	R336 480.00
<b>TOTAL</b>	<b>R26 877 948.00</b>	<b>R2 605 000.00</b>	<b>R871 685.00</b>	<b>R1 1776 268.00</b>

It should be noted that no provincial or national grants should be received during May to June of any year. This is to prevent confusion from the overlap of the national government and the local government financial years and the negative impact this has previously had on reporting.

### Analysis of revenue collected

<u>DESCRIPTION</u>	<u>OPENING BALANCE</u>	<u>AMOUNT BILLED</u>	<u>AMOUNT RECEIVED</u>	<u>CLOSING BALANCE</u>
Rates	R10 886 535.00	R3 601 132.00	R7 425 002.00	R18 311 537.00
Water Connection	R3 264 544.00	R1 961 937.00	R1 416 311.00	R4 680 855.00
Sewer Connection	R4 025 617.00	R1 711 484.00	R3 003 438.00	R7 029 055.00
Refuse Availability	R1 613 301.00	R1 052 992.00	R180 132.00	R1 793 433.00
Electricity Sales	R30 188 958.00	R11 014 372.00	R10 658 779.00	R40 847 737.00
Water Sales	R7 909 080.00	R3 158 682.00	R1 195 151.00	R9 104 231.00
Refuse Removal	R8 751.00	R0.00	R1 222.00	R9 973.000
Infrastructure Levy	R213.00	R0.00	R0.00	R213.00
Housing Rentals & Leases	R247 073.00	R105 409.00	R80 405.00	R327 478.00
Non-recurring Sundry	R45 352.00	R0.00	R4 904.00	R50 256.00
<b>TOTAL</b>	<b>R58 189 394.00</b>	<b>R22 606 008.00</b>	<b>R23 965 344.00</b>	<b>R82 154 768.00</b>



For the month of August the municipality collected 96.77% of electricity charges in. The municipality managed to collect 40% on water sales. The collection of municipal rates currently sits at 210% for October which is an increase of 70% from the previous month. These above average collection rates, when compared to billed amounts, could be attributed to payments made on arrear debts.

## Section 8 – Expenditure on councillor allowances and employee benefits

### Employee related costs per vote

ITEM DESCRIPTION	BUDGET	ACTUAL FOR OCTOBER	YEAR-TO-DATE EXPENDITURE	% EXPENDITURE TO DATE
Salaries	R91 473 408.00	R7,821,188	R31,684,830	34.64%
Overtime	R3 235 230.00	R650,085	R2,748,496	84.96%
All: Housing	R264 678.00	R46,283	R140,708	53.16%
All: Telephone	R359 609.00	R12,281	R49,441	13.75%
All: Transport	R3 804 270 .00	R303,330	R1,202,367	31.61%
All: Inconvenience	R604 509.00	R103,770	R397,815	65.81%
Pension/Provident Fund	R16 638 221.00	R1,219,431	R4,956,671	29.79%
Medical Aid Fund	R1 494 818.00	R530,896	R2,128,901	142.42%
Group Life Assurance	R865 856.00	R55,802	R214,157	24.73%
<b>Total</b>	<b>R118 740 599.00</b>	<b>R10 743 066.00</b>	<b>R43 523 386.00</b>	<b>36.65%</b>



### Councillor remuneration

<u>ITEM DESCRIPTION</u>	<u>BUDGET</u>	<u>ACTUAL FOR OCTOBER</u>	<u>YEAR-TO-DATE EXPENDITURE</u>	<u>% EXPENDITURE TO DATE</u>
Councillor Allowance	R6 819 680.00	R450,392	R1,888,874	R27.70%
Telephone Allowance	R628 448.00	R45,214	R179,501	R28.56%
Travelling Allowance	R2 273 137.00	R149,357	R628,077	R27.63%
<b>Total</b>	<b>R9 721 265.00</b>	<b>R644 963.00</b>	<b>R2 696 452.00</b>	<b>27.96%</b>

## **Section 9 – Capital programme performance**

### Year-to-date Capital Budget vs. Expenditure

EC104 Makana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04 October

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		29,195	174,377	-	3,265	30,901	58,125	27,224	46.8%	174,377
Infrastructure - Road transport		17,829	14,683	-	1,361	16,782	4,894	(11,888)	-242.9%	14,683
Roads, Pavements & Bridges		17,829	14,683	-	1,361	16,782	4,894	(11,888)	-242.9%	14,683
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		(2,099)	5,694	-	-	(2,099)	1,898	3,997	210.6%	5,694
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		(2,099)	5,694	-	-	(2,099)	1,898	3,997	210.6%	5,694
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		10,804	15,000	-	198	11,004	5,000	(6,004)	-120.1%	15,000
Dams & Reservoirs		4,565	-	-	-	4,565	-	(4,565)	0.0%	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		6,239	15,000	-	198	6,440	5,000	(1,440)	-28.8%	15,000
Infrastructure - Sanitation		2,661	139,000	-	1,706	5,213	46,333	41,120	88.7%	139,000
Reticulation		1,500	139,000	-	1,706	3,901	46,333	42,432	91.6%	139,000
Sewerage purification		1,160	-	-	-	1,312	-	(1,312)	0.0%	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Community</b>		1,078	11,789	-	81	1,864	3,930	2,066	52.6%	11,789
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		1,078	250	-	81	1,424	83	(1,340)	-1608.3%	250
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	300	-	-	440	100	(340)	-340.0%	300
Recreational facilities		-	9,789	-	-	-	3,263	3,263	100.0%	9,789
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	1,400	-	-	-	467	467	100.0%	1,400
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	50	-	-	-	17	17	100.0%	50
<b>Heritage assets</b>		77	-	-	-	77	-	(77)	0.0%	-
Buildings		-	-	-	-	-	-	-	-	-
Other		77	-	-	-	77	-	(77)	0.0%	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		5,040	4,127	-	2	5,447	1,376	(4,071)	-295.9%	4,127
General vehicles		-	400	-	-	-	133	133	100.0%	400
Specialised vehicles		-	950	-	-	-	317	317	100.0%	950
Plant & equipment		1	1,561	-	-	21	520	500	96.0%	1,561
Computers - hardware/equipment		-	300	-	-	48	100	52	51.6%	300
Furniture and other office equipment		409	716	-	2	510	239	(271)	-113.6%	716
Other		4,630	200	-	-	4,868	67	(4,801)	-7202.4%	200
<b>Intangibles</b>		3,409	1,565	-	568	4,282	522	(3,714)	-717.1%	1,565
Computers - software & programming		907	1,565	-	568	1,761	522	(1,239)	-237.5%	1,565
Other		2,502	-	-	-	2,502	-	(2,502)	0.0%	-
<b>Total Capital Expenditure on new assets</b>	1	38,799	191,857	-	3,916	42,551	63,952	21,402	33.5%	191,857
<b>Specialised vehicles</b>		-	950	-	-	-	317	317	0	950
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	950	-	-	-	317	317	0	950
Ambulances		-	-	-	-	-	-	-	-	-



## Section 10 – Supply Chain Management

### Deviations for the month

<u>COMPANY NAME</u>	<u>DESCRIPTION</u>	<u>DEPARTMENT</u>	<u>REASON</u>	<u>AMOUNT</u>
Rhini Developers	Temporary housing unit	Fire	Emergency	R14,700.00
Stone Crescent Hotel	Housing as a result of the Xenophobic attacks	Municipal Manager	Insufficient quotations/Impossible to follow SCM procedures	R40 000.00
<b>TOTAL</b>				<b>R 54,700.00</b>

### Tenders awarded for the month

No tenders were awarded in October.

## Section 11 – Other supporting documentation

### 11.1 Other information

## **Section 12 – Municipal Manager’s Quality Certification**

I, Riana Meiring, Acting Municipal Manager of Makana Municipality, hereby certify that the information provided in this report and supporting documents have been prepared to the best of our ability in accordance with the Municipal Finance Management Act and the regulations made under this Act.

NAME: Riana Meiring

SIGNATURE: .....

DATE: .....